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Exhibit

STEER FEEDERS * WATCH THE MARKET

Specifications.

27

STEER FEEDERS - WATCH THE MARKET

How It Looks

The exhibit consists of a scenic feature of a cutout man, a cattle feeder, sitting at a table looking thru a "window" at a large, painted photograph of a city stockyards scene.

Two large transparent graphs on the center section and one on each of the side sections constitute the rest of the exhibit. These graphs show the average monthly prices for different grades of steers and fat cattle and also the margins in cattle feeding operations.

What It Tells.

To acquaint cattlemen with the usual variations of feeder - and fat-cattle prices during the year, and to encourage cattle feeders to watch the market more closely and to plan their feeding operations in the light of what has happened in the past, is the purpose of this exhibit. Many experienced feeders are acquainted with the advantages to be gained by thus profiting by past market performances.

The average prices received for slaughter and feed steers on the Chicago market for the four years, 1921-24, have been used to illustrate the story.

A series of charts illustrate graphically the general trend.

There is considerable variation in both feeder, and slaughter - or fat-steer prices during the year. The better grades of fat steers are lowest during April May and June, and highest during October, November and December; while the converse is true of the lower grades. In other words there is a very narrow spread between the different grades of fat steers during the spring months and a very wide spread during the fall and early winter.

Feeder prices tend to follow prices of lower grade slaughter steers; they are highest during the spring months when common steers are scarce and when there is a demand for grazing cattle. The spread between the different grades of feeders does not vary materially during the year. The low period for all feeders is during October, November and December.

The average feeding period is approximately 150 days or about 5 months. Thus with a fixed feeding period, and assuming that common feeder steers make common slaughter steers when fat and with a corresponding assumption for the other grades, approximate favorable marketing dates may be determined. In making such calculations, however, it should be remembered that the steer may often be "stepped up" in grade that is, it is possible to make a good fat steer out of a medium feeder steer.

Margins are not an infallible guide in cattle feeding operations, but in general they indicate that there is a rather definite optimum time to feed the different grades of cattle. Fancy feeders show the greatest margin when bought during June, July or August. The same months are also best for good and choice feeders but with less advantage over other months than in the case of fancy feeders. When feeding common and medium steers the greatest margins are found on feeders bought during October, November, December, and marketed during February, March or April.

In general there are two types of cattle feeders that may be able to apply this information in their feeding operations:

- (1) The feeder whose operations are closely tied up with his general farming. He feeds during a definite period and markets his cattle in the spring when crop production begins to require most of his attention. In his case the time of feeding is fixed.

(2) The feeder whose time of feeding is not fixed, but who finds it desirable to feed out a particular grade of steers.

In brief, the feeder whose time of feeding is fixed has the opportunity of selecting the grade of feeder steers that will give the greatest margin; and the feeder whose grade of steers is fixed has the opportunity of selecting the most profitable time or season to carry on his feeding operations.

Where To Get Information.

Further information may be obtained by writing to the Bureau of Agricultural Economics U. S. Department of Agriculture, Washington, D. C.
